

## **POOR LEGIBILITY**

ONE OR MORE PAGES IN THIS DOCUMENT ARE DIFFICULT TO READ  
DUE TO THE QUALITY OF THE ORIGINAL

INTER-OFFICE CORRESPONDENCE  
Los Angeles

SFUND RECORDS CTR  
3737-01001

SFUND RECORDS CTR  
88206058

COPY

April 28, 1950

o - Mr. T. A. Haschke  
Mr. G. W. Poland  
Mr. J. H. Kennedy  
Mr. R. Demmon  
Mr. J. P. Jones  
Mr. R. A. Lamoree - S.F.  
Mr. F. W. Wieder - S.F.  
Mr. Hans Stauffer  
Mr. John Stauffer

From - Mr. R. W. Gunder

I gather that there seems to be some confusion in the New York office to just where certain of our insecticides are manufactured and distributed in Southern California. I therefore believe that it might be expedient to advise all parties concerned as to where our various plants are and what products are handled from these plants.

DDT TECHNICAL

DDT Technical is manufactured at the Montrose Chemical Company at Torrance, California. The raw materials for DDT are manufactured at Henderson, Nevada and shipped by tank truck to Torrance for final processing.

DDT CONCENTRATE

DDT Concentrate is manufactured at Stauffer Chemical Company, Dominguez, California. The DDT Technical is shipped by truck from Torrance to Dominguez and is ground into 50% Concentrates. All eastern orders for 50 lb. bags of DDT Concentrates are shipped from Dominguez Junction direct. Eastern orders for DDT Concentrates in 4 lb. bags are shipped from the Nico Dust Division of Stauffer at Vernon, California. The 50% DDT Concentrate is shipped in 50 lb. bags from Dominguez to Nico Dust at Vernon where we have packaging facilities. Nico Dust also processes 50% Concentrates into finished dust for resale to growers and distributors, all shipments of these products being made out of Vernon.

BHC TECHNICAL

BHC Technical is manufactured at Stauffer Chemical Company at Henderson, Nevada. Lump Technical BHC is shipped by truck or rail from Henderson, Nevada to Stauffer Chemical at Dominguez where it is ground into 12-15% BHC Concentrates. We are now also grinding BHC Technical 25% at Henderson, Nevada. Therefore, any BHC Technical orders will be shipped direct from the Stauffer Henderson, Nevada plant to eastern destinations. All BHC Concentrates are shipped from Dominguez in 50 lb. bags or drums.

FARELLA BRAUN & MARTEL

ATTORNEYS AT LAW

NORMA G. FORMANEK  
Attorney at Law

RUSS BUILDING, 30TH FLOOR  
235 MONTGOMERY STREET  
SAN FRANCISCO, CA 94104

TELEPHONE: (415) 954-4400  
DIRECT DIAL: (415) 954-4497  
FACSIMILE: (415) 954-4480

S00536

726200211

COPY

April 28, 1950

- 2 -

LINDANE TECHNICAL

Lindane Technical 99% is now also being manufactured at the Stauffer plant at Henderson, Nevada. The material is to be shipped in 200 lb. drums to eastern destinations direct from Henderson and will be shipped in 200 lb. drums to the Nico Dust Company for further processing. Orders for lindane 20% or 25% emulsions etc. will be handled by the Nico Dust Company.

I trust that the explanation will clarify some doubt which I believe has been in the minds of certain individuals regarding our operations.

Very truly yours,

---

R. W. Gunder

RWG:mf

500537

726200212

# This East Mfg Co.

## Inventory Summary

June 30, 1950

### Finished Goods

Plant	E-3	142,227.25 <sup>(1)</sup>
Lindane Warehouse	2004 C + 197	87,800.00 <sup>(1)</sup>
Pay as sold		138,781.14 <sup>(1)(2)</sup>
Consigned goods		79,323.08 <sup>(1)(2)</sup>
Mechanical goods	E-6	55,168.91 <sup>(1)</sup>

324,970.36

### Raw Materials

Plant	E-7	195,751.28 <sup>(1)</sup>
Contact Warehouse	E-3224.200# BHC 1/4	29,751.28 <sup>(1)</sup>
		75,502.27

### Containers and Labels

Labels	E-5	62,710.00
Containers	E-4	18,747.16

82,071.76

637,402.49

- (1) Prices listed by reference to supplier's invoice and manufacturing cost (batch) statements. Overhead added to manufactured goods at 500% of direct labor.
- (2) Quantities counted in L.A. as at 6-30-50.
- (3) Quantities as reflected by perpetual inventories maintained by sales department, and physically counted from time to time by salesman in territory. Quantities not verified.

Note: In reclassifying purchases in transit, checked erroneously deducted the amount from finished goods instead of raw materials where it was included in inventory summary, and thereby overstated raw material by \$3,300.23 and understated finished goods. This also understated finished goods inventory and raw materials figures in cost statement.



Section 1

Nico Dust Manufacturing Company

The Nico Dust Manufacturing Company is a branch of the Los Angeles Division of the Office of Chemical Engineering. The general books and records at the Head Office of the Office of Chemical Engineering in San Francisco. Records of production costs, of inventories and of payrolls are kept in the Los Angeles office, and were examined during our visit to Los Angeles. Results of the examination were recorded in the general records maintained in San Francisco during the course of our audit.

We submit herewith on the audit and the following described exhibits and schedules:

Exhibit

A

Balance Sheet as at June 30, 1950

B

Statement of Profit and Loss for the six months ended June 30, 1950

Schedules

B-1

Cost of Production and of Sales for the six months ended June 30, 1950

B-2

Selling and Administrative Expenses for the six months ended June 30, 1950

INTER-OFFICE CORRESPONDENCE

SAN FRANCISCO

TO: San Francisco

DATE: October 31, 1950

ATTENTION OF: Mr. L. F. Cummings

FROM: Alfred Leloy, Jr.

COPY TO:

SUBJECT:

Dear Mr. Cummings,

The balance owed by Stauffer Chemical Co., San Francisco to Stauffer Chemical Co., Nevada for B. H. C. operations at Heckathorn is made up by the following series of transactions:

1. Stauffer, Nevada ships Technical B. H. C. to Heckathorn at Richmond, paying the freight to destination on a memo billing.
2. Heckathorn grinds the Technical B. H. C. into Concentrates, the cost of this processing being paid by Stauffer, San Francisco and charged to Stauffer, Nevada. The inerts, wetting agents, and containers are purchased by Stauffer, San Francisco, and charged out as they are used to Nevada on a monthly invoice.
3. As B. H.C. Technical and Concentrate shipments are made from Heckathorn, this material is invoiced to the customer by Stauffer, San Francisco. Any sales freight or commission paid or allowed by Stauffer, San Francisco is deducted from these gross sales and the resulting Net Sales of B.H.C. Technical and Concentrates are credited to Stauffer, Nevada.

In summary, the balance owed by Stauffer, San Francisco to Stauffer, Nevada comprises Net Sales of B.H.C. Technical and Concentrates, from Heckathorn, less cost of processing and less cost of inerts, wetting agents and containers. All inventories of Finished Technical and Concentrates remain in Stauffer, Nevada ledger, all other inventories are in the Stauffer, San Francisco ledger.

Very truly yours,  
*Alfred Leloy, Jr.*  
Alfred Leloy, Jr.

S00547

726200222

TO: Mr. C. A. Lindsay

DATE August 2, 1954

ATTENTION OF:

FROM: D. J. Keating

COPY TO:

Mr. L. F. Cummings  
Mr. R. A. Lamoree  
Dr. M. L. Spealman  
Mr. H. Stauffer  
Mr. H. O. Thomas

SUBJECT: COSTS FOR GRINDING 75% W.H.O.

Dear Charlie:

I don't believe Lloyd Cummings sent you a copy of his monthly statement which he prepares for Mr. Stauffer, showing costs and profit and loss on the various 75% W.H.O. DDT shipments we have made to date of this year. By copy of this letter to Lloyd Cummings, I am asking him if we will not circulate copies of this to you, Max Spealman and Hobart Thomas.

I know that you are familiar with our problem. It is a real tough one. As you will notice, the costs for the various lots ground this year were 8.30 per hundred, 8.60 per hundred, 9.28 per hundred, 9.58 per hundred and 8.54 per hundred lbs. respectively. The average cost for 3,387,100 lbs. ground to date of this year was 8.57. This is for all materials, containers, including P.E. liners, and excluding royalty. I know the logical question that you would ask is "Why don't we charge more money for the material?" The answer is that this is a close bidding proposition and furthermore we do not have full control over the price we set because Dr. Rothberg in establishing Stauffer's costs for Technical DDT for these various lots refuses to allow us a greater margin than is currently charged by Heckathorn and Central Chemical. Heckathorn recently increased his custom grinding charge to us, which, as you know, includes all materials, liners and containers, except the Technical DDT which we furnish, to 8.04 per hundred lbs. Rothberg argues that Heckathorn must make money at this figure and stands pat on making any further concessions to us on the Technical DDT. Normally, we would tell Rothberg that we are just not interested in the grinding if we cannot make money, but, unfortunately, he works the Mel Goldberg - Heckathorn combination against us by insisting that if we refuse to handle the grinding at the same figure as charged by Heckathorn, then he will furnish the Technical DDT to Goldberg and Heckathorn and permit them to sell it.

He has us in a spot, and, as you can see, we have lost to date of this year, \$21,245, or 2.77% on 3,387,100 lbs. of 75% DDT concentrates sold.

I know that you cannot pull rabbits out of the hat, but is there any way that we can possibly reduce our cost on this 75% material? Lloyd Cummings statement shows the total cost of sales but does not give a breakdown. I am sure that he will be glad to furnish you a complete breakdown of these costs so you can review them.

Mr. C. A. Lindsay

August 2, 1954

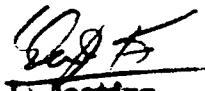
Subject: Costs for Grinding 75% W.H.O.

Rothberg's argument in rebuttal to all this is that Stauffer could pass all of their grinding to Heckathorn and make money. If we paid Heckathorn 8.0¢ for the total poundage ground this year we would have netted approximately \$18,000 as a profit instead of the loss of \$21,245 we have had.

Perhaps with the problem we have in connection with increase of sulphur grinding costs, these figures further emphasize the necessity of considering the consolidation of our grinding units to reduce our fixed costs. This 75% DDT business before the year is out should run in excess of a million dollars volume and, as you know, Mr. Stauffer is greatly concerned about the fact that we continue to lose money on such a sizeable volume.

For the future, from a price standpoint, the bidding is going to be even more competitive than in the past for the reason that Technical DDT is now in over-supply, so our problem is going to get worse rather than better.

Very truly yours,

  
Dan J. Keating

DEK:MSB

*Lloyd - Would appreciate a detailed breakdown of their costs. Regards Dan*

*Lloyd stuff prepared*

S00581

726200256



TO:

SAN FRANCISCO

DATE

August 2, 1954

ATTENTION OF:

Mr. R. A. Lamoree

FROM:

D. J. Keating

COPY TO:

Mr. L. F. Cummings  
Mr. J. F. Isler  
Mr. C. L. Macomber  
Mr. M.W. Malander  
Mr. S. Rotrosen  
Dr. P. Rothberg  
Mr. H. Stauffer

SUBJECT:

ADJUSTMENTS DUE FROM MONTROSE

Dear Bob:

As the Technical DDT which you custom ground for Penn Salt on the 400 ton order for GSA in June is invoiced to your office, I want to call your attention to the credit due us on this shipment. As you know, Dr. Rothberg agreed to issue a credit to us for 3/4 of the 2% commission which we gave Penn Salt.

This same arrangement applies on the order you are currently grinding for Penn Salt against the GSA contract.

Also, Dr. Rothberg, as you know, very kindly offered to reimburse us for one-half of the premium of \$13 per ton paid to Mel Goldberg on the 300,000 lbs. ground for us by arrangement with Mel at Heckathorn's plant. This is covered by my letter of June 9 to Dr. Rothberg. Perhaps these credits have already been issued, and I assume that your Accounting Department is taking this into consideration before closing their files.

As you noticed from the recent cost statement of the 7% W.H.O. DDT jobs prepared by Lloyd Cummings and forwarded to Mr. Stauffer attached to his letter of July 27th, we took an out-of-pocket loss of \$4,564. on the Penn Salt job, and I am wondering if the credit from Montrose has been considered in this figure.

Very truly yours,

Dan J. Keating

DJK:EMB

S00582

726200257

## INTER-OFFICE CORRESPONDENCE

**SAN FRANCISCO**

TO: New York - Airmail

DATE August 6, 1954

ATTENTION OF: Mr. D. J. Keating

FROM: R. A. Lamoree

**COPY TO:** Mr. L. F. Cummings  
Mr. J. F. Isler  
Mr. Hans Stauffer  
Mr. E. G. Carlson

**SUBJECT: Adjustments Due From Montrose**

Dear Dan:

Please be advised that the credit due us for three-fourths of the 2 1/4% commission on the Penn-Salt 400 tons has been taken care of and is reflected in statement from Mr. L. F. Cummings under date of July 27th.

I have talked with the Accounting Department and I believe there will be a revised statement covering DDT 75% Concentrates for the six months period ending June 30th. There were certain complications brought up in the original statement due to the fact that a custom grinding job was included whereas this custom grinding operation should have been shown separately due to the fact that we performed only a custom grinding operation which had nothing to do with royalty, Technical DDT or freight to dock.

Now with regard to the 300,000 pounds Pesticides arranged for grinding at Heckathorn under contract 4022. Billing will be made to Montrese of California for \$6.50 per ton and as per agreement, they in turn will either pay or issue us credit. This naturally will be reflected in future statements when these 300,000 pounds are shipped.

I believe this answers the questions brought up in your memorandum of August 2nd.

Yours very truly,

Encl.  
RAL:AH

S00583

COPY

726200258

INTER-OFFICE CORRESPONDENCE  
TORRANCE, CALIFORNIA

Date August 6, 1954

To Mr. D. J. Keating

From C. A. Lindsay

cc: Mr. L. F. Cummings  
Mr. R. A. Lamoree  
Dr. M. L. Speelman  
Mr. H. Stauffer  
Mr. H. O. Thomas  
Mr. H. P. Jockers

Subject Costs for Grinding  
75% WHO

Dear Dan:

It's a coincidence that last night I did considerable re-viewing of the 75% DDT cost figures and this morning received your letter of August 2.

First of all, let's set up some clarifying statements:

1. WHO 75% DDT Concentrate - Does not have to meet tropical storage tests and therefore requires less costly raw materials for which the delivered cost is approx. \$2.70/100# finished product.
2. G.S.A. modification of above incorporates the tropical storage tests and boosts the raw materials cost to \$3.65/100# (12 mos. 1953 figure). Therefore, raw materials for G.S.A. are practically \$1.00/100# higher than for WHO.
3. Some of the contractors, and I believe Central Chemical is one, require DDT powder for manufacturing 75% concentrates. This costs 1¢/lb. more than the lump used at Dominguez and amounts to approx. \$0.77 more per 100 lbs. of finished product. As against this, Dominguez cost for pregrinding for the first six months of 1954 was \$0.93/100#. I have reviewed the possibility of eliminating pregrinding and instead starting with DDT powder but Montrose does not have the grinding capacity to supply our powder requirements so there is no alternative but continuing to pregrind lump.

Heckathorn pregrinds as does Dominguez; however, they start out with flake which costs them 1/4¢/lb. more than lump and, therefore, \$0.192/100# of finished product should be added to Heckathorn's contract price to equalize to Dominguez' manufacturing costs. Also, the additional cost for freighting DDT to Heckathorn should be added.

COPY

726200259

S00584

August 6, 1954

4. Heckathorn's container costs should be the same as for Dominguez; however, some contractors use as large as a 41 gallon drum for 150# while Dominguez uses a 32 gallon drum. This larger drum would raise costs by about \$0.30/100# of finished product and, when drums are specified as an extra, this should be taken into consideration in comparing Dominguez' and contractors costs.

The same consideration would hold true for other extras.

5. Referring to 3. and 4. above it is obvious that one cannot directly compare Dominguez' manufacturing cost with contractors quotations without making corrections.
6. I cannot check the cost figures you mention in your letter. The correct cost figures (Schedule 45) show a total of 3,154,535# was ground during the first six months of 1954 for a unit cost of \$7.90/100#, excluding royalty but including Shipping Labor and Expense.

I believe you will find on close investigation that you would have lost as much or more money on 75% concentrates if contractors had been doing the grinding.

Now as to how we can reduce costs on 75% concentrates:

- a. Our Direct Labor costs, including shipping labor and expense, for the first six months of 1954 were slightly under \$1.10/100# produced. With our new pregrinding equipment and some packaging improvements on which we are working these should drop to below \$1.00/100#, but this is a negligible improvement.
- b. So far as raw materials costs are concerned, this is a problem for Research. We did get raw materials costs down for regular WHO material and our manufacturing costs (excluding royalty) (Schedule 45) for months when we were manufacturing WHO material exclusively were as follows:

March - \$6.80/100#  
April - \$7.57/100#

- c. That portion of our costs classified as plant overhead amounted to \$2.30/100# for the first six months. Included in this item is maintenance, salaries, power, laboratory and other direct charges as well as burden charges. As a matter of fact Depreciation, Insurance and Taxes amounts to less than 10% of the so-called plant overhead.

Approximately 35% of the overhead charges are for maintenance and I estimate that about 1/3 of these are for maintenance of a Fuller compressor which really is not

S00585

726200260

August 6, 1954

suited to our conditions but was purchased as a wartime expedient. We have been considering its replacement but the very marginal nature of this 75% concentrate business has discouraged us from requesting an expenditure that can run into approximately \$20,000.

Some savings are possible if we cut back on laboratory control but this is hazardous. Otherwise, maintenance is the only possibility and I would estimate that there is a potential saving in the so-called overhead not to exceed \$0.50/100#.

In summarizing the savings possibilities it is my opinion that the best opportunity lies in raw materials savings, and the next best in maintenance which probably will involve an expenditure for additional equipment.

I cannot see any merit whatsoever in the idea of now moving the Dominguez DDT reductionizing plant to Vernon. You will note from my statement above that actual burden items are only a small part of the total cost of grinding at Dominguez. Moving the plant would be costly--what can be gained since Reductionizing and Raymond milling are dissimilar operations with production peaks occurring at the same time of the year? We are, moreover, now grinding all BHC and 50% DDT concentrates in the Raymond mill at Vernon and expect to continue to do so, holding Dominguez for 75% concentrates and special products.

I do not know what the grinding load is on the Bayonne reductionizers but it might well be that this equipment could be consolidated with the Dominguez equipment. At least this would eliminate the Dominguez compressor problem. I don't imagine Bayonne is grinding anything except 75% DDT concentrates and special products in their reductionizers.

A forecast of future 75% concentrate tonnage would be most helpful as a means of evaluating what we can afford to do toward cost reduction at Dominguez.

Sorry this is so wordy but I just cannot condense the problem into a few simple statements.

Sincerely,

ORIGINAL SIGNED BY  
C. A. LINDSAY

C. A. Lindsay

CAL:hrs

S00586

726200261

INTER OFFICE CORRESPONDENCE

NEW YORK

*Hecht*  
 To: Messrs. A. E. Albright  
 ATTENTION OF: J. H. Kennedy  
 J. W. Kettle  
 R. A. Lamoree  
 M. W. Melander - w/encl.  
 G. Vander Meer  
 COPY TO:

*K*  
 DATE August 31, 1954  
 FROM: D. J. Keating  
 SUBJECT:

*This could be important if we bill the dept. ever had any such business 2-P.P. Dehman*

*9/2*

C  
O  
P  
Y

Gentlemen:

Some time ago, I sent you a copy of Sam Rotrosen's letter of August 12th attaching a copy of Dr. Rothberg's letter of July 21st addressed to Mr. Hans Stauffer. This letter stated that Stauffer Chemical Company will cease to receive commissions on any sales of DDT or concentrates made by them after July 31, 1954 to either Stauffer Chemical or Cal Spray.

This is perhaps a technicality but it was not quite clear to us and we discussed the matter with Dr. Rothberg, but he confirms that on any sales of Technical DDT where we act as Sales Agent for Montrose, with the exception of the Cal Spray account, we will continue to receive our 3% commission.

Naturally this applies to export shipments. It applies only to DDT Technical (re-sold as such), but we will not receive the 3% commission on Technical DDT which we purchase from Montrose for processing into 75% or any other concentrate.

Very truly yours,

Dan J. Keating

DJK:KMD

S00587

726200262



TO: Mr. M. W. Melander                      DATE: September 20, 1954  
ATTENTION OF:                                      FROM: D. J. Keating  
COPY TO: Mr. R. A. Lamoree                      SUBJECT: TECHNICAL DDT SALES TO  
GOVERNMENT AGENCIES BY  
GREEFF

Dear Milt:

As you know, it is agreed that Stauffer will receive one-half of the 3% commission on all sales of Technical which Greeff makes to the various government agencies. We also agreed that we would receive one-half percent of this commission on the Turkish business.

We want to be sure that these credits are forthcoming from Montrose, and I am wondering if you have established any mechanics with Sam Rotrosen.

Very truly yours,

Dan J. Keating

P.S. - We also have one-half of the 3% commission coming to us on the Technical which Montrose shipped to Pan American Sanitary Bureau for Greeff's account.

Copied for: Mr. A. Leloy  
              Mr. W. J. Brown

S00588

726200263

MONTROSE CHEMICAL CORPORATION OF CALIFORNIA  
INVOICE TO STAUFFER CHEMICAL CO. LOS ANGELES  
MONTH OF MARCH, 1952

Inv. No.	Division	Amount of Invoice	Amount of DDT Sold from Consigned Stock		Amount of Advances Applied
			Pounds	Value	
3/52					
915	N.Portland Mfg. Feb.	\$ 8 650 01	19 187#	\$ 5 769 47	\$ 5 769 47
916	N.Portland Sale. Feb.	96 30	200#	102 00	59 16
917	Dominguez Mfg. Feb.	55 819 04	151 716#	44 149 36	44 149 36
918	Dominguez Mfg. Feb.*	1 480 32	5 087#	1 480 32	1 480 32
919	Dominguez Grind. Loss	818 29	2 812#	818 29	818 29
920	Harvey Mfg. Feb.	305 230 74	866 450#	256 339 24	256 339 24
921	Harvey Sale Feb.	173 71	500#	192 50	147 93
922	Houston Mfg. Feb.	7 978 01	8 672#	2 565 61	2 565 61
923	Vernon Mfg. Feb.	122 221 22	360 330#	106 603 63	106 603 63
924	S.F. Sulphur Mfg. Feb.	21 882 68	60 750#	17 972 89	17 972 89
925	DDT Sale-Cal Spray Exch.	11 580 00			
926	DDT Sale-Cal Spray	246 000 00			
927	DDT Shipped on Cons.	- 0-			
928	DDT Sale-Geigy Cust. Gr.	31 000 00			
929	DDT Sales	306 120 00			
930	Muriatic Sales	13 431 31			
931	Dichlorobenzene Sales	21 347 90			
932	Recovered Acid Sales	2 783 33			
933	MCB - Torrance Research	2 663 53			
934	Sacks & Drums Torr. Res.	204 60			
946	Spec. Packing - Heckathorn	22 68			
947	Dom. Mfg. - Jan. Corr.	26 888 40	92 400#	26 888 40	26 888 40
March Invoices		\$1 186 392 07	1 568 104#	\$462 881 71	\$462 794 30

3/52

CM-457	DDT on Cons.-for Geigy Custom grind	\$ - 0-			
CM-458	Policy Allow. Caro.Chem.	19 25			
CM-459	Frt.Allow-N.Port.Cons.	1 129 72			
CM-460	Frt.Allow-S.F. Sulph.Cm.	256 74			
CM-461	Frt.Allow-Harvey Cons.	877 57			
CM-462	Frt.Allow-Houston Cons.	1 699 91			
CM-463	Frt.Allow-N.Y. DDT Sale	5 113 97			
CM-464	Frt.Allow-Cal. Spray	11 036 64			
CM-465	Frt.Allow-Geigy	1 037 36			
CM-466	Frt.Allow-L.A. DDT Sale	616 14			
CM-467	S.F. Div.-Commission	7 380 00			
CM-468	S.F. Div.-Commission	732 60			
CM-469	N.Y. Div.-Commission	4 240 50			
CM-470	L.A. Div.-Commission	3 346 50			
CM-471	Nico-Dust-Sx reshipped	102 90			
CM-475	Correction-Dom.Jan.Mfg.	26 888 40	92 400#	26 888 40	26 888 40

March Credits	\$ 64 478 20	92 400#	\$ 26 888 40	\$ 26 888 40
---------------	--------------	---------	--------------	--------------

Net Billings	\$1 121 913 87	1 475 704#	\$435 993 31	\$435 905 90
Less Advances Applied	435 905 90			
Amt. due Mar.Bill.	\$ 686 007 97			
Plus Net Adv. Requested (Mar.ship.less CM457)	87 397 00			

Net Amount Due	\$ 773 404 97
----------------	---------------

\*Nico-Dust to declare Royalty  
jkb

S00589

726200264

MONTROS CHEMICAL CORPORATION OF CALIFORNIA  
SHIPMENTS TO CONSIGNED STOCKS  
MONTH OF JANUARY, 1953

	Material	Weight	Basic Price	Basic Value
Dominguez, California	Lump	28 000#	\$.22 # less 3%	\$ 5 975 20
Nico Dust Mfg. Co., Vernon	Lump	10 000#	.22 # less 3%	2 134 00
Nico Dust Mfg. Co., Dominguez	Lump	140 000#	.22 # less 3%	29 876 00
Nico Dust Mfg. Co. c/o Heckathorn Co., Richmond, Calif.	Flake	555 000#	.2225# less 3%	119 782 88
No. Portland, Oregon	Flake	50 000#	.2225# less 3%	10 791 25
San Francisco Sulphur Co., Berkeley, California	Flake	100 000#	.2225# less 3%	21 582 50
Houston, Texas	Flake	50 000#	.2225# less 3%	10 791 25
Harvey, Louisiana	Flake	100 000#	.2225# less 3%	21 582 50
Bayone, New Jersey	Flake	50 000#	.2225# less 3%	10 791 25
		<u>1 083 000#</u>		<u>\$233 306 83</u>

ADVANCES AGAINST CONSIGNED STOCK  
January, 1953

	Advances Against 12/31/52 Inventory	Adv. App. Against January Billings	Advances Requested for January	Basic Sales Value 1/31/53 Inventory
No. Portland, Oregon	\$ 43 650 21	\$ 45 11	\$ 10 791 25	\$ 54 396 35
San Francisco Sulphur, Berkeley	- 0-		21 582 50	21 582 50
Nico Dust Mfg. Co., Vernon	2 508 91		2 134 00	4 642 91
Nico Dust Mfg. Co., Dominguez	- 0-		29 876 00	29 376 00
Nico Dust Mfg. Co., c/o Heckathorn Co., Richmond, California	- 0-		119 782 88	119 782 88
Dominguez, California	152 220 16	36 553 48	5 975 20	121 641 88
Houston, Texas	221 289 25	97 729 56	10 791 25	134 350 94
Harvey, Louisiana	35 283 75		21 582 50	56 866 25
Lubbock, Texas	9 021 00			9 021 00
Bayonne, New Jersey	- 0-		10 791 25	10 791 25
	<u>\$463 973 28</u>	<u>\$134 328 15</u>	<u>\$233 306 83</u>	<u>\$562 951 96</u>

RECONCILIATION OF CONSIGNED STOCK  
AND ADVANCE ACCOUNT

	Weight	Basic Value
Inventory 12/31/52	1 867 809#	\$463 973 28
Less Stock Sold and Advances Applied	<u>517 350#</u>	<u>134 328 15</u>
Balance	1 350 459#	\$329 645 13
Shipments from Torrance	<u>1 083 000#</u>	<u>233 306 83</u>
Inventory 1/31/53	<u>2 433 459#</u>	<u>\$562 951 96</u>

To; Mr. L. F. Cummings  
cc: Mr. W. A. Jessiman  
Mr. S. Rotrosen  
dh 2/10/53

Mr. H. Hecht  
Mr. T. V. Hunter  
File

S00590  
726200265

**MONTROS\_ CHEMICAL CORPORATION OF CALIFORNIA**  
**SHIPMENTS TO CONSIGNED STOCK**  
**MONTH OF FEBRUARY, 1953**

	<u>Material</u>	<u>Weight</u>	<u>Basic Price</u>	<u>Basic Value</u>
o. Portland, Oregon	Falke	50 000#	\$.2225# less 3%	\$ 10 791 25
o. Portland, Oregon	MMM Powd.	6 000#	.23 # less 3%	1 338 60
ico Dust Mfg. Co.	Lump	332 000#	.22 # less 3%	70 848 80
ico Dust Mfg. Co., Vernon	Flake	10 000#	.2225# less 3%	2 158 25
ico Dust Mfg. Co., Vernon	MMM Powd.	1 000#	.24 # less 3%	232 80
		<u>399 000#</u>		<u>\$ 85 369 70</u>

**ADVANCES AGAINST CONSIGNED STOCK**  
**FEBRUARY, 1953**

	<u>Advances Against 1-31-53 Inventory</u>	<u>Adv. App. Against February Billings</u>	<u>Advances Requested for February</u>	<u>Basic Sales Value 2-28-53 Inventory</u>
o. Portland, Oregon	\$ 54 396 35	\$ 8 276 67	\$ 12 129 85	\$ 58 249 53
an Francisco Sulphur Co., Berk.	21 582 50			21 582 50
ico Dust Mfg. Co., Vernon	4 642 91	3 045 12	2 391 05	3 988 84
ico Dust Mfg. Co. c/o Heckathorn Co., Richmond, Calif.	119 782 88			119 782 88
ico Dust Mfg. Co., Dominguez Dominguez	29 876 00)			
	121 641 88)	86 725 76	70 848 80	135 640 92
ouston, Texas	134 250 94	47 192 02		87 158 92
arvey, Louisiana	56 866 25			56 866 25
ibbock, Texas	9 021 00			9 021 00
ayonne, New Jersey	10 791 25			10 791 25
	<u>\$562 951 96</u>	<u>\$145 239 57</u>	<u>\$ 85 369 70</u>	<u>\$503 082 09</u>

**RECONCILIATION OF CONSIGNED STOCK**  
**AND ADVANCE ACCOUNT**

	<u>Weight</u>	<u>Basic Value</u>
Inventory 1/31/53	2 433 459#	\$562 951 96
Less Stock Sold and Advances Applied	<u>857 094#</u>	<u>145 239 57</u>
Balance	1 576 365#	\$417 712 39
Shipments from Torrance	<u>399 000#</u>	<u>85 369 70</u>
Inventory 2/28/53	<u>1 975 365#</u>	<u>\$503 082 09</u>

cc: Mr. L. F. Cummings  
cc: Mr. W. A. Jessiman  
Mr. S. Rotrosen  
Mr. H. Hecht  
Mr. T. V. Hunter  
File

S00591

1 3/11/53

726200266

MONTROSE CHEMICAL CORPORATION OF CALIFORNIA  
INVOICES TO STAUFFER CHEMICAL CO., LOS ANGELES  
MONTH OF MARCH, 1953

Inv. No.	Division	Amount of Invoice	Amount of DDT Sold from Consigned Stock		Amount of Advances Applied
			Pounds	Value	
<u>2/53</u>					
1265	Pyrex Pipe, etc.-Research	\$ 460 58			
1291	Payroll Charges-Vernon	76 57			
<u>3/53</u>					
1329	N. Portland Mfg.-Feb.	13 625 02	40 414#	\$ 11 147 06	\$ 11 147 06
1330	N. Portland Sale-Feb.	1 375 28	6 000#	1 470 00	1 804 20
1331	Dominguez Mfg.-Feb.	124 671 09	539 045#	124 671 09	66 837 75
1332	S.F. Sulphur Co. Mfg.-Feb.	27 252 64	100 000#	21 582 50	21 582 50
1333	Nico Dust Mfg.Co.-Feb.	17 288 44	15 467#	3 320 53	3 320 53
1334	Nico Dust Sale-Feb.	439 39	1 000#	484 50	232 80
1335	Nico Dust(Heckathorn) Mfg.-Feb.	33 133 45	153 520#	33 133 45	33 133 45
1336	Houston Mfg.-Feb.	36 819 37	118 319#	27 719 71	15 958 46
1337	HoustonSale-Feb.	2 391 90	10 200#	2 550 00	2 218 39
1338	DDT Sales-Cal-Spray	42 175 00			
1339	DDT Sales	76 109 50			
1340	DDT Shipped on Consign.	- 0-			
1341	Muriatic Acid Sales	23 408 57			
1342	Dichlorobenzene Sales	17 015 11			
1343	Monochlorobenzene Sales	34 690 11			
Invoices		<u>\$450 932 02</u>	<u>983 965#</u>	<u>\$226 078 84</u>	<u>\$156 235 14</u>
CM 613	Policy Allow.-Gen. Chem.	\$ 76 48			
CM 614	S.F. Division-Commission	1 265 25			
CM 615	S.F. Division-Commission	4 68			
CM 616	L.A. Division-Commission	1 597 31			
CM 617	Cal-Spray-Sx. Reshipped	121 20			
CM 618	Freight Allow.-Cal-Spray	3 591 57			
CM 619	Freight Allow.-DDT. Sales	1 265 67			
CM 620	Freight Allow.-Consigned	1 241 12			
March Credits		<u>\$ 9 163 28</u>			
Net Billings		\$441 768 74			
Less Advances Applied		<u>156 235 14</u>			
Amt. Due on Billings		\$285 533 60			
Plus Advances Mar. Ship.		<u>102 242 85</u>			
Net Amount Due		<u>\$387 776 45</u>			

S00592  
726200267

MONTROSE CHEMICAL CORPORATION OF CALIFORNIA  
SHIPMENTS TO CONSIGNED STOCK  
MONTH OF MARCH, 1953

	<u>Material</u>	<u>Weight</u>	<u>Basic Price</u>		<u>Basic Value</u>
No. Portland, Oregon	Lump	101 000#	\$.22	# less 3%	\$ 21 553 40
Dominguez, California	Lump	358 000#	.22	# less 3%	78 531 20
Nico Dust Mfg. Co., Vernon	Flake	10 000#	.2225	# less 3%	2 158 25
		<u>479 000#</u>			<u>\$102 242 85</u>

ADVANCES AGAINST CONSIGNED STOCK  
MARCH, 1953

	<u>Advances Against 2-28-53 Inventory</u>	<u>Adv. App. Against March Billings</u>	<u>Advances Requested for March</u>	<u>Basic Sales Value 3-31-53 Inventory</u>
No. Portland, Oregon	\$ 58 249 53	\$ 12 951 26	\$ 21 553 40	\$ 66 351 67
L.F. Sulphur Co., Berkeley	21 582 50	21 582 50		
Nico Dust Mfg. Co., Vernon	3 988 84	3 553 33	2 158 25	2 593 76
Nico Dust Mfg. Co. c/o Heckathorn Co., Richmond	119 782 88	33 133 45		86 649 43
Dominguez, California	135 640 92	124 671 09	78 531 20	89 501 03
Houston, Texas	39 966 91	29 938 10		10 028 81
Harvey, Louisiana	56 866 25			56 866 25
Hubbock, Texas	9 021 00			9 021 00
Mayonne, New Jersey	10 791 25			10 791 25
	<u>\$455 890 08</u>	<u>\$225 829 73</u>	<u>\$102 242 85</u>	<u>\$332 303 20</u>

RECONCILIATION OF CONSIGNED STOCK  
AND ADVANCE ACCOUNT

	<u>Weight</u>	<u>Basic Value</u>
Inventory 2-28-53	1 975 365#	\$455 890 08
Less Stock Sold and Advances Applied	<u>983 965#</u>	<u>225 829 73</u>
<u>Balance</u>	991 400#	\$230 060 35
Shipments from Torrance	<u>479 000#</u>	<u>102 242 85</u>
<u>Inventory 3-31-53</u>	<u>1 470 400#</u>	<u>\$332 303 20</u>

O: Mr. L. F. Cummings ✓  
 c: Mr. W. A. Jessiman  
 Mr. S. Rotrosen  
 Mr. H. Hecht  
 Mr. T. V. Hunter  
 File

n 4/10/53

S00593

726200268



**MONTROSE CHEMICAL CORPORATION OF CALIFORNIA**  
**SHIPMENTS TO CONSIGNED STOCK**  
**MONTH OF SEPTEMBER, 1953**

	<u>Mat'l.</u>	<u>Weight</u>	<u>Basic Price</u>	<u>Basic Value</u>
Houston *	Lump	33 440#	\$.22 # less 3%	\$ 7 136 10
Houston	Flake	160 000#	.2225# less 3%	34 532 00
Nico-Dust	Flake	20 000#	.2225# less 3%	4 316 50
Vernon	Flake	20 000#	.2225# less 3%	4 316 50
Heckathorn Co.	Flake	160 000#	.2225# less 3%	34 532 00
Dominguez	Lump	976 000#	.22 # less 3%	208 278 40
Dominguez	Lump	560 000#	.19 # less 3%	105 924 00
Dominguez	Lump	560 000#	.22 # less 3%	119 504 00
San Francisco Sulphur Co. (Trf. to Nico-Dust)	Powder	102#	.23 # less 3%	22 75
Nico-Dust (Trf. from San Francisco Sulphur Co.)	Powder	102#	.23 # less 3%	22 75
		<u>1 369 440#</u>		<u>\$306 691 50</u>

\*Shipped ex Shell-Houston 4/30/53.

Invoiced 6/30/53 Montrose #1556. Deposit has not previously been requested.

**ADVANCES AGAINST CONSIGNED STOCK**  
**SEPTEMBER, 1953**

	<u>Advances Against 8/31/53 Inventory</u>	<u>Adv. App. Against September Billings</u>	<u>Advances Requested for September</u>	<u>Basic Sales Value 9/30/53 Inventory</u>
N. Portland, Ore.	\$ 28 212 90	\$ 110 06	\$	\$ 28 102 84
San Francisco Sulphur	2 136 18		22 75	2 113 43
Heckathorn Co.			34 532 00	34 532 00
Nico-Dust Mfg. Co.	14 245 60	9 153 66	4 339 25	9 431 19
Vernon	83 319 24	46 262 09	4 316 50	41 373 65
Dominguez	168 006 97	9 336 25	221 858 40	380 529 12
Houston	107 578 77	85 576 60	41 668 10	63 670 27
Flag Sulphur, Tampa, Fla.	10 791 25	10 593 99		197 26
Tampa, Fla.	9 699 18	9 699 18		
Bayonne, N. J.	10 704 92	328 05		10 376 87
	<u>\$434 695 01</u>	<u>\$171 059 88</u>	<u>\$306 691 50</u>	<u>\$570 326 63</u>

**RECONCILIATION OF CONSIGNED STOCK  
AND ADVANCE ACCOUNT**

	<u>Weight</u>	<u>Basic Value</u>
Inventory 8/31/53	2 082 750#	\$434 695 01
Less Stock Sold and Advances Applied	794 649#	171 059 88
<u>Balance</u>		
Shipments to Consigned Stock	1 288 101#	\$263 635 13
	1 369 440#	306 691 50
<u>Inventory 9/30/53</u>	<u>2 657 541#</u>	<u>\$570 326 63</u>

To: Mr. L. F. Cummings  
cc: Mr. W. A. Jessiman  
Mr. S. Rotrosen  
Mr. H. Hecht

cc: Mr. Al Leloy  
Mr. H. L. Anderson  
Mr. T. V. Hunter  
File

726200269

ngb 10/12/53

S00594

## INTER-OFFICE CORRESPONDENCE

SAN FRANCISCO

TO: New York - airmail

DATE August 6, 1954

ATTENTION OF: Mr. D. J. Keating

FROM: R. A. Lamoree

COPY TO: Mr. L. F. Cummings ✓  
Mr. J. F. Isler  
Mr. Hans Stauffer  
Mr. E. G. Carlson

SUBJECT: Adjustments Due From Montrose

Dear Dan:

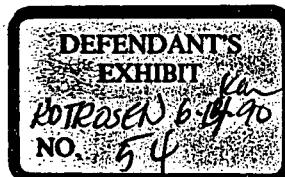
Please be advised that the credit due us for three-fourths of the 2½% commission on the Penn-Salt 400 tons has been taken care of and is reflected in statement from Mr. L. F. Cummings under date of July 27th.

I have talked with the Accounting Department and I believe there will be a revised statement covering DDT 75% Concentrates for the six months period ending June 30th. There were certain complications brought up in the original statement due to the fact that a custom grinding job was included whereas this custom grinding operation should have been shown separately due to the fact that we performed only a custom grinding operation which had nothing to do with royalty, Technical DDT or freight to dock.

Now with regard to the 300,000 pounds Pesticides arranged for grinding at Heekathorn under contract 4022. Billing will be made to Montrose of California for \$6.50 per ton and as per agreement, they in turn will either pay or issue us credit. This naturally will be reflected in future statements when these 300,000 pounds are shipped.

I believe this answers the questions brought up in your memorandum of August 2nd.

Yours very truly,

Encl.  
RAL:AH

S00583

COPY